

**1. What type of gambling will I be allowed to have in my establishment with a type II gambling endorsement?**

The statute authorizes a retailer to sell and conduct a type II gambling game on the premises of the retailer's tavern. Type II gambling game includes pull tabs, punchboards and tip boards. The endorsement also allows the following:

(1) Raffles - retailer retains the proceeds of the raffle drawing.

(2) Winner take all drawings - retailer retains no portion of the amounts wagered.

Raffles and winner take all drawings may not exceed three hundred dollars (\$300).

**2. How long is the gambling endorsement good for and can I transfer it to someone else?**

The type II gambling endorsement is valid for one (1) year.

An endorsement or a license issued under this article may not be transferred without prior written approval of the commission.

**3. Who is eligible to receive a type two gambling endorsement?**

A person must operate a tavern licensed under IC 7.1-3 to sell alcoholic beverages to customers for consumption on the premises of the tavern.

The application must state the name and address of the applicant and of any person holding at least a ten percent (10%) interest.

**3. How much is the fee for type II gambling endorsement?**

The initial cost is \$250 for a retailer's initial endorsement fee. The cost for renewal will be determined by your adjusted gross revenue for the following year.

**4. Where can I have type II gambling in my establishment?**

Type II gambling games, raffles, and winner take all drawings may not be offered in any part of the retailer's licensed premises in which a minor may be present under IC 7.1-5-7-11(a)(16).

**5. Where can I buy my type II games to sell in my establishment?**

A retailer must obtain the type II gambling game only from a distributor licensed by the commission.

**6. Are there prize payout rates that are mandated by statute?**

Yes, they are listed below:

- PRIZE/PAYOUT
  - A single prize awarded for one (1) winning ticket in a type II gambling game may not exceed five hundred ninety-nine dollars (\$599).
  - The total prizes awarded for one (1) type II gambling game may not exceed five thousand dollars (\$5,000).
  - The selling price for 1 ticket for a type II gambling game may not exceed \$1.
  - A type II gambling game must pay out at least seventy-five percent (75%) and not more than one hundred percent (100%) of the amount wagered (unless sold for less than \$1).
  - If a type II gambling game ticket is sold for less than \$1, the following payout rule applies:

Purchase Price	Minimum Payout %
\$0.10	60%
\$0.25	65%
Three (3) tickets for one dollar (\$1)	65%
\$0.50	70%

- A type II gambling game's pay out percentage must be stated on the ticket or on the accompanying flare.

**7. Will there be record keeping requirements for this type II gambling and need it be separate from the record keeping for food and alcoholic beverage sales in my establishment?**

Yes, a retailer shall maintain accurate records of all financial aspects of the retailer's type II gambling operation. A retailer shall make accurate reports of all financial aspects of the type II gambling operation to the commission within the time established by the commission. The commission shall prescribe forms for this purpose. The receipts from type II gambling operation may not be commingled with the receipts of the retailer's alcoholic beverage sales, food sales, and other related non-gambling activities.

**8. Can this type II gaming endorsement be suspended or revoked by the commission like my alcoholic beverage license can?**

Yes, the commission may suspend or revoke the endorsement or license of or levy a civil penalty against a licensee for any of the following:

- (1) Violation of a provision of this article or of a rule of the commission.
- (2) Failure to accurately account for type II gambling games.
- (3) Failure to accurately account for sales proceeds from type II gambling operations.
- (4) Commission of a fraud, deceit, or misrepresentation.
- (5) Conduct prejudicial to public confidence in the commission.
- (6) Conduct any illegal gambling upon the licensed premise.

**9. Can anyone play these type II gambling games?**

No, in fact it is a Class A misdemeanor for a retailer who (1) permits a person less than 21 years of age to play a type II gambling game; or (2) wagers or accepts a wager on a type II gambling game at a location other than a retailer's licensed premises.

**10. Who can become licensed as a manufacturer or distributor?**

To qualify for a distributor's license or a manufacturer's license under this chapter, a person must also be a licensed distributor or manufacturer under IC 4-32.2 (licensed with Charitable Gaming).

**11. When can I apply for my type II gaming endorsement?**

Applications will be online and available soon. Keep checking on the ATC website for any updates.